

OHIO VALLEY BANC CORP
Form 10-Q
November 09, 2015

United States
Securities and Exchange Commission
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the transition period from _____ to _____

Commission file number 0-20914

OHIO VALLEY BANC CORP.
(Exact name of registrant as specified in its charter)

Ohio
(State of Incorporation)

31-1359191
(I.R.S. Employer Identification No.)

420 Third Avenue
Gallipolis, Ohio
(Address of principal executive offices)

45631
(ZIP Code)

(740) 446-2631
(Issuer's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data file required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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Large accelerated filer	<input type="radio"/>	Accelerated filer	<input checked="" type="radio"/>
Non-accelerated filer	<input type="radio"/>	Smaller reporting company	<input type="radio"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of common shares of the registrant outstanding as of November 9, 2015 was 4,117,675.

OHIO VALLEY BANC CORP.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

OHIO VALLEY BANC CORP.
CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except share and per share data)

	September 30, 2015 UNAUDITED	December 31, 2014
ASSETS		
Cash and noninterest-bearing deposits with banks	\$ 11,177	\$9,315
Interest-bearing deposits with banks	52,983	21,662
Total cash and cash equivalents	64,160	30,977
Certificates of deposit in financial institutions	1,715	980
Securities available for sale	87,891	85,236
Securities held to maturity (estimated fair value: 2015 - \$22,110; 2014 - \$23,570)	21,433	22,820
Federal Home Loan Bank and Federal Reserve Bank stock	6,576	6,576
Total loans	585,168	594,768
Less: Allowance for loan losses	(6,902)	(8,334)
Net loans	578,266	586,434
Premises and equipment, net	10,112	9,195
Other real estate owned	1,624	1,525
Accrued interest receivable	1,896	1,806
Goodwill	1,267	1,267
Bank owned life insurance and annuity assets	26,097	25,612
Other assets	7,429	6,240
Total assets	\$ 808,466	\$778,668
LIABILITIES		
Noninterest-bearing deposits	\$ 166,133	\$161,794
Interest-bearing deposits	505,331	485,036
Total deposits	671,464	646,830
Other borrowed funds	24,257	24,972
Subordinated debentures	8,500	8,500
Accrued liabilities	14,290	12,150
Total liabilities	718,511	692,452
COMMITMENTS AND CONTINGENT LIABILITIES (See Note 5)	----	----
SHAREHOLDERS' EQUITY		
Common stock (\$1.00 stated value per share, 10,000,000 shares)	4,777	4,777

authorized; 4,777,414 shares issued)		
Additional paid-in capital	35,318	35,318
Retained earnings	64,748	60,873
Accumulated other comprehensive income	824	960
Treasury stock, at cost (659,739 shares)	(15,712)	(15,712)
Total shareholders' equity	89,955	86,216
Total liabilities and shareholders' equity	\$ 808,466	\$ 778,668

See accompanying notes to consolidated financial statements

OHIO VALLEY BANC CORP.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
(dollars in thousands, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
Interest and dividend income:				
Loans, including fees	\$8,323	\$8,252	\$25,372	\$25,289
Securities				
Taxable	463	429	1,365	1,280
Tax exempt	130	140	403	415
Dividends	73	73	219	239
Other Interest	27	10	150	114
	9,016	8,904	27,509	27,337
Interest expense:				
Deposits	569	535	1,659	1,686
Other borrowed funds	119	120	360	351
Subordinated debentures	43	41	126	123
	731	696	2,145	2,160
Net interest income	8,285	8,208	25,364	25,177
Provision for loan losses	(11)	(682)	710	1,198
Net interest income after provision for loan losses	8,296	8,890	24,654	23,979
Noninterest income:				
Service charges on deposit accounts	415	436	1,161	1,222
Trust fees	52	55	167	169
Income from bank owned life insurance and annuity assets	172	164	486	494
Mortgage banking income	77	66	191	181
Electronic refund check / deposit fees	12	11	2,362	3,073
Debit / credit card interchange income	604	555	1,769	1,607
Gain on other real estate owned	----	10	60	2
Gain on sale of securities	28	----	163	----
Gain on sale of ProAlliance Corporation	----	675	----	810
Other	224	134	631	578
	1,584	2,106	6,990	8,136
Noninterest expense:				
Salaries and employee benefits	4,556	4,213	13,382	12,825
Occupancy	404	390	1,194	1,179
Furniture and equipment	192	227	564	559
FDIC insurance	144	121	442	361
Data processing	323	310	1,053	924
Foreclosed assets	74	28	171	130
Other	2,034	1,955	5,902	5,558
	7,727	7,244	22,708	21,536
Income before income taxes	2,153	3,752	8,936	10,579

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Provision for income taxes	511	1,010	2,260	2,929
NET INCOME	\$1,642	\$2,742	\$6,676	\$7,650
Earnings per share	\$.40	\$.67	\$1.62	\$1.87

See accompanying notes to consolidated financial statements

OHIO VALLEY BANC CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(dollars in thousands)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2015	2014	2015	2014
Net Income	\$1,642	\$2,742	\$6,676	\$7,650
Other comprehensive income (loss):	⌘160			